

191—8.9(512A) Mergers. Should the membership of a group or unit fall below 50 percent of its established size as set forth in the plan of operation, such group or unit shall be merged into another existing group in the association and any funds of the depleted membership group shall become the reserve funds of the group into which it is merged.

If the entire membership of an association falls below 60 percent of its established size as described in its plan of operation, such association must make a bona fide attempt to merge with another such association to protect the interests of the remaining members. Any reserve funds of the merging association shall become the reserve funds of the surviving merged association. If merger attempts are unsuccessful, the association must present a plan of reorganization to the commissioner for approval.